



AHCCCS today is a publication of the Arizona Health Care Cost Containment System Public Information Office.

*Inquiries should be made to
AHCCCS/MD 4100, Attn: PIO
801 E. Jefferson St.
Phoenix, AZ. 85034
(602) 417-4269*

News

Rates in 5-year re-evaluation process

It happens every five years. In a flurry of data gathering, analyzing, organizing and evaluating, AHCCCS sets new fee-for-service rates for nursing facilities and home and community-based services, establishing how much fee-for-service providers will be paid. 2005 is such a year and the new rates will be effective Oct. 1.

The flurry, however, begins about a year before the effective date. And although these rates only affect a small portion of AHCCCS members – about 1,600 statewide – the amount of activity is well justified.

Not only is it the law that AHCCCS do the five-year re-evaluation, but what the agency does influences program contractors around the state.

“AHCCCS program contractors, who manage the care provided to the majority of long term care members – not fee-for-service members – frequently use the FFS rates as a basis from which to negotiate with providers for services,” said Sara Harper, reimbursement manager for AHCCCS.

Rates are adjusted annually for inflation, but the five-year recalculations take into consideration cost data gathered from providers from around the state. Rates are set according to this data and adjusted for inflation.

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Legislative assistant director retires

Lynn Dunton retired Jan. 31 as the AHCCCS Assistant Director of Intergovernmental Relations, and although “officially” she has only been an AHCCCS employee since 1990, Dunton has played a part in the agency since its very beginning.

She began working for the state in 1979 as a legislative analyst, helping state legislators develop a Medicaid program, the one that would eventually be called AHCCCS.

In 1988, Lynn was at the state Division of Developmental Disabilities as an executive staff consultant where she helped with DDD’s long term care developmental disabilities program.

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New legislative liaison

January Contreras joined AHCCCS today as the AHCCCS state Legislative liaison. She attended the University of



Arizona College of Law and has worked previously in the state Attorney General’s office with the AHCCCS fraud control unit.

Contreras will report to AHCCCS Director Tony Rodgers.

Alonzo elected Friendly House chair

Anna Alonzo, AHCCCS community relations administrator, was elected chairperson of the Friendly House, Inc. Board for 2005.



Friendly House offers parenting programs, family counseling, youth services, immigration services and more.

Alonzo has served on the board since 2003.



Healthcare Group gets doctor



Dr. Anita Murcko

Dr. Anita Murcko, who started with AHCCCS this past November as the medical director for Healthcare Group, has two offices in two different buildings.

And although the doctor – a proponent of employee fitness – doesn't mind walking back and forth, the dual offices have nothing to do with a need for exercise.

Murcko has dual offices to fit her dual role within the agency: a medical director for AHCCCS and the first medical director for Healthcare Group, the state-sponsored insurance program for small businesses in Arizona directed by AHCCCS.

She was previously the chief medical officer for the Health Services Advisory Group and also worked with the Arizona Diabetes Initiative.

As the first medical director for Healthcare Group, Murcko said she sees Healthcare Group "as a laboratory for developing innovative approaches for delivering health care in Arizona."

"The new legislative changes affecting Healthcare Group are a great opportunity...to more specifically develop a better health care delivery network and a higher quality of care," she said.

Murcko will work closely with other agency medical staff on medical policy, provider relations and employee wellness.

AHCCCS working hard to re-adjust fee-for-service rates

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This is why AHCCCS is keen on working with providers during this process. A good working relationship benefits everyone, according to Harper.

Letters requesting data were sent to providers last October. Information on costs, wages, benefits and more are gathered and the numbers crunched by AHCCCS staff and consultants.

While most employees working on the new rates are from the agency's Division of Health Care Management, many from across the agency play a part in the process.

"It's an involved process. There are consultants and staff working to obtain and analyze the data and we communicate with providers individually as well as through work-groups," Harper said. "Right now we are finalizing the follow-up with providers to obtain cost data and we are tracking all communication with providers regarding our data collection efforts."

Lynn Dunton retires

Dunton, from page 1

Dunton will continue to assist the Office of the Director with federal issues until her replacement is named.

AHCCCS Deputy Director Tom Betlach said Lynn is a key player when dealing with the federal Centers for Medicaid and Medicare Services.

"Lynn has been an outstanding contributor to the AHCCCS program," he said.

"(She) has been instrumental in working with our counterparts at CMS to ensure AHCCCS has the flexibility and necessary authority to do many of the things that have made our Medicaid program a national model," he said. "She will be missed and we wish her the best of luck with her future endeavors."

It's not required that providers give AHCCCS information, but according to Alan Schafer, long term care manager for the agency, "It's in providers' best interests to supply the requested cost so that AHCCCS can establish rates that appropriately reflect the costs of doing nursing home and home-and-community-based service business in Arizona."

"If providers don't supply the data, then the rates will be based on 'incomplete' data that may not accurately represent the costs associated with the services," he said.

"AHCCCS uses Arizona provider cost data to set the fee-for-service rates. If for one reason or another the providers are not happy with the rates that result from their cost data, providers are encouraged to work with AHCCCS to identify potential resolutions."

Rates will be completed by April and await approval from the federal government during the summer. And so the process ends. Until 2010.

Agency fills executive 'cavity' with dental director

Dr. Robert Birdwell joined AHCCCS Nov. 29 and has been smiling ever since – and not just because he's the new dental director for the agency.



He's actually very happy to be here and says he enjoys the challenge of the job, which includes managing the existing AHCCCS dental programs for children and adults.

"I want to be able to help ensure quality dental care to all eligible AHCCCS members," Birdwell says. "It's great to be here."

Birdwell comes to AHCCCS from New Mexico, where he was dental director for its state Medicaid program.

Doctor receives MLK award

AHCCCS Medical Director Dr. John Molina is a 2005 recipient of the Dr. Martin Luther King, Jr. "Living the Dream" award for founding Las Fuentes Clinic in Guadalupe. The clinic provides medical care to the uninsured.

He was honored Jan. 13 during the annual MLK breakfast at the Phoenix Civic Plaza.

"Specifically, the award is for alleviating health care disparities that exist among racial groups," Molina said. "People should not be judged and treated differently because of the color of their skin."



Dr. John Molina

Molina, who started with AHCCCS on Nov. 29, is a Phoenix native who grew up in nearby Guadalupe. After spending time in the U.S. Navy as a social worker, he attended medical school at the University of Arizona and in 1994 completed his residency with Indian Health Services with a specialty in obstetrics. He founded Las Fuentes Clinic in 1995.

"AHCCCS offered an opportunity to work with medically needy people where there are challenges – cultural and economic," he said. "I've always had a passion for providing services to this population."

Molina is currently working toward a law degree from Arizona State University.

AHCCCS fee-for-service division under new leadership——

The new assistant director for the Division of Fee-for-Service Management has brought with her to AHCCCS a strong background in health care and a vision for an expanded view of what fee for service care can be.

Linda Martin, Ph.D, came to AHCCCS this past November from Arizona Baptist Children's Services, where she was involved in program development.

With working experience in the mental health system and AHCCCS health plans, Martin said she's excited to be here.

"AHCCCS was one part of the system that I hadn't worked in. I'm looking forward to bringing insight from my various other positions to my position here," she said.

While DFSM will continue to handle claims and processing for various fee-for-service sources like Indian Health Services and



Linda Martin

School Based Claiming, formally known as Medicaid in the Public Schools (MIPS), Martin said she hopes to "have the division engage in more data analysis and technical assistance activities."

"As we identify more clearly our fee-for-service lines of business, we hope to be able to provide more assistance to our providers, which in turn will improve the overall quality of care for our clients."



HCG customer care: More than customer service

By Alexis Gee, Healthcare Group

Many cringe at the thought of calling a company's "customer service" department when they have a pressing concern.

We have all encountered the confusing automated systems, sometimes with several minutes passing before a human voice is heard. Then there is the grumpy customer service representative who gives you incorrect or conflicting information.

By the time you get off the phone, you are more confused and frustrated than before!

That's why Healthcare Group of Arizona chooses to practice customer care rather than customer service. This means personalizing the care customers receive, and taking a more proactive approach with customers.

New members receive a welcome call from a customer care specialist and each employer group within Healthcare Group has its own account service representative.



The Healthcare Group Customer Care team.

These calls are to ensure members have everything needed for a successful start. Employer meetings are also held to meet with Healthcare Group staff, who answer questions and give updates about the

future of Healthcare Group.

Call (602) 417-6755 or 1-(800) 247-2289 with questions.

Grin and 'bare' it: Eligibility requirement questions answered

By Alexis Gee, Healthcare Group

The state Legislature made changes to Healthcare Group eligibility requirements, prompting questions from small businesses about one change that restricts which businesses are eligible to enroll in Healthcare Group.

Businesses interested in enrolling in Healthcare Group will need to have been without employer-sponsored group coverage for six months before they can sign up with Healthcare Group.

This six-month gap in coverage is known as the "bare period." Here are answers to a few of the questions we have received.

- What is the "bare period" and why does it exist?

In August 2004, a new law was passed which prohibits Healthcare Group of Arizona from enrolling an employer group sooner than 180 days (or six months) after the date that the employer's health insurance coverage under an accountable health plan is discontinued. This does not apply to political subdivisions. HCG is

targeted to those who are uninsured, and does not encourage small businesses to drop their current coverage for HCG.

- Will it affect my employees trying to get Healthcare Group coverage?

No. This six-month "bare period" applies only to the new businesses themselves and not to individual employees.

- I have been with HCG for many years, but last month our group was terminated for non-payment of premiums. We applied for re-enrollment a few days later. Since we were insured when we re-applied, are we required to wait six-months before our coverage begins again?

No. In this case your business IS NOT subject to the bare period since your previous insurance was HCG. The bare period applies ONLY to businesses that have been covered by a commercial health insurance plan (such as Blue Cross, Cigna, PacifiCare or Health Net).

